

## **EXHIBIT B**

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
)  
W. R. GRACE & CO., et al.<sup>1</sup> ) Case No. 01-01139 (JFK)  
) (Jointly Administered)  
Debtors. )  
) Objection Deadline: October 10, 2008

**SUMMARY APPLICATION OF MORRISON & FOERSTER LLP  
AS ORDINARY COURSE PROFESSIONAL FOR ALLOWANCE OF FEES AND  
EXPENSES IN EXCESS OF OCP MONTHLY FEE CAP FOR MAY 2007**

Name of Applicant: **Morrison & Foerster LLP**

Authorized to Provide Professional Services to: **W.R. Grace & Co., et al.,  
Debtors and Debtors-in Possession**

Date of Retention: **Retained as an Ordinary Course  
Professional, April 13, 2001<sup>2</sup>**

Fee Period for which Compensation and  
Reimbursement is Sought: **May 2007**

Amount of Compensation sought as actual,  
reasonable and necessary: **\$37,176.25**

Amount of Expense Reimbursement sought as  
actual, reasonable and necessary: **\$80,427.56**

This is a monthly ☒ monthly \_\_\_ interim \_\_\_ final application.

<sup>1</sup> The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-I Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

<sup>2</sup> On April 13, 2001, Morrison & Foerster LLP ("Morrison & Foerster") was retained by the Debtors as an ordinary course professional ("OCP") in the Chapter 11 Cases to provide legal services regarding our representation of the Debtors in state tax litigation. On May 8, 2001, Morrison & Foerster filed its affidavit of disinterestedness to support its retention as an OCP. See Docket No. 11490. No objections were filed to Morrison & Foerster's retention. Thus, Morrison & Foerster is employed, and continues to be employed, as an OCP in these Chapter 11 Cases.

This is Morrison & Foerster LLP's ("Morrison & Foerster") monthly application for interim compensation of services in excess of the OCP cap for the fee period May 1, 2007 through May 31, 2007. Pursuant to the *Order Pursuant to II U.S. C. §§1107(a) and 1108 Granting Leave in Authorizing the Debtors to Employ and Compensate Ordinary Course Professionals Utilized in the Course of the Debtors' Business* (Docket No. 197), which was later amended on December 10, 2002 (Docket No. 3126) and July 24, 2006 (Docket No. 12855) (as amended collectively, the "OCPI Orders"), Morrison & Foerster is permitted to file its fee application for excess OCP fees and expenses for previous months and future months in which it incurs excess OCP fees and expenses.

For the May 2007 fee period, Morrison & Foerster has incurred and billed \$168,255.77 in legal fees and expenses. The breakdown for legal fees and expenses for May 2007 is as follows:

Dates of Services Rendered	Fees	Expenses	Total	Expected Standard OCP Payment	Excess OCP Fees and Expenses
5/1/07 - 5/31/07	\$37,176.25	\$130,427.56	\$167,603.81	<\$50,000.00>	\$117,603.81

The Morrison & Foerster attorneys who rendered professional services during the Fee Period in excess of the monthly cap for OCP for May 2007, are:

Name of Professional Person	Position with the Applicant and Year Admitted	Hourly Billing Rate <sup>3</sup>	Total Billed Hours	Total Compensation
Irwin M. Slomka	Partner, 1980	\$600.00	53.25	\$31,920.00
Paul H. Frankel	Partner, 1961	\$725.00	8.00	\$5,256.25
<b>Totals for Attorneys</b>			<b>61.25</b>	<b>\$37,176.25</b>

**Grand Total for Fees: \$37,176.25**

**Total Hours: 61.25**

**Blended Rate: \$606.96**

**Expected Normal Course OCP Compensation: <- 0 ->**

**Balance of Compensation Sought in Application: \$37,176.25**

<sup>3</sup> Travel time during which client work was not conducted was billed at half this rate.

**Expense Summary**

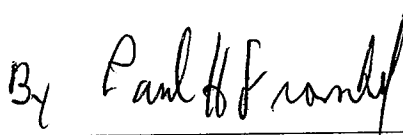
<b>Service Description</b>	<b>Amount</b>
Photocopies	\$71.10
Long Distance Telephone	\$11.10
Air Freight	\$42.43
Messenger Service	\$30.90
Local Arizona Attorney Fees – BANCROFT SUSA & GALLOWAY 4/27/07 - Professional services rendered regarding Arizona Income Tax.	\$884.00
Local Massachusetts Attorney Fees – MINTZ, LEVIN, COHN, FERRIS, GLOVSKY & POPEO, P.C.	\$32,976.30
Expert and Consultant Fees	\$95,727.47
Travel	\$281.51
Miscellaneous Disbursement – COMMONWEALTH OF MASSACHUSETTS – W.R. Grace V COR Volume 2 C271787.	\$402.75
<b>Grand Total for Expenses</b>	<b>\$130,427.56</b>
<b>Expected Normal Course OCP Compensation</b>	<b>&lt;\$50,000&gt;</b>
<b>Balance of Expenses Sought in Application</b>	<b>\$80,427.56</b>

WHEREFORE, Morrison & Foerster respectfully requests (a) that an allowance be made to it, as fully described above for the (i) 80% of the amount of \$37,176.25 for reasonable and necessary professional services Morrison & Foerster has rendered to the Debtors during the Fee Period (\$29,741.00) and (ii) 100% of the reimbursement of actual and necessary costs and expenses incurred by Morrison & Foerster during the Fee Period (\$80,427.56); (b) that both fees and expenses are payable as administrative expenses of the Debtors' estates; and (c) that this Court grant such further relief as is equitable and just.

Dated: September \_\_\_, 2008  
Wilmington, Delaware

Respectfully submitted,

MORRISON & FOERSTER LLP

By 

Paul H. Frankel, Esq.  
Morrison & Foerster LLP  
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New York, NY 10104-0050  
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WALNUT CREEK, CENTURY CITY  
  
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SHANGHAI, HONG KONG,  
SINGAPORE, BRUSSELS

Mr. Tim Cremin  
W.R. Grace & Co  
5400 Broken Sound Boulevard Nw  
Boca Raton, FL 33487-2707

**Taxpayer ID #94-0697210**  
Invoice Number: 4622960  
Invoice Date: June 12, 2007

Client/Matter Number: 012642-0000003

Matter Name: NEW YORK TAX

**RE: NEW YORK TAX**

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*For Professional Services Rendered and Disbursements Incurred through May 31, 2007*

	<u>U.S.Dollars</u>
Current Fees	37,176.25
Current Disbursements	130,427.56
	<hr/>
<b>Total This Invoice</b>	<b>167,603.81</b>
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**Payment may be made by wire transfer to the firm's account**

Bank of America – Main Branch San Francisco, CA 94104  
Account # 1499401830 - ABA Routing # 026009593

Our billing statements are due and payable within thirty days of receipt. For your convenience, we have included a summary of your account balance on the last page of this invoice.

Billing questions may be directed to our Billing Hotline at (415) 268-2594 or (866) 314-5320

**MORRISON | FOERSTER**012642-0000003  
NEW YORK TAXInvoice Number: 4622960  
Invoice Date: June 12, 2007**Time Detail**

<b>Date</b>	<b>Services</b>	<b>Timekeeper</b>	<b>Hours</b>	<b>Value</b>
03-May-2007	Revise letter advising on	Slomka, Irwin M.	3.00	1,800.00
04-May-2007	Revise letter on and e-mail to	Slomka, Irwin M.	3.00	1,800.00
08-May-2007	Finalize letter advising on prepare	Slomka, Irwin M.	4.00	2,400.00
09-May-2007	Mass: prepare	Slomka, Irwin M.	4.00	2,400.00
10-May-2007	Mass: revise : discussion with discussion with	Slomka, Irwin M.	1.70	1,020.00
11-May-2007	Mass: revise draft	Slomka, Irwin M.	1.00	600.00
13-May-2007	MA case - Trip to Boston (1.5 hr.); <sup>1</sup> preparation for	Frankel, Paul H.	2.00	1,450.00
14-May-2007	MA case - Appearance before , meeting with preparation; return trip (1.5 hr.) <sup>2</sup>	Frankel, Paul H.	3.00	1,631.25
25-May-2007	Mass: Commence preparation of	Slomka, Irwin M.	5.50	3,300.00
28-May-2007	Mass: prepare	Slomka, Irwin M.	3.00	1,800.00
29-May-2007	MA case	Frankel, Paul H.	1.50	1,087.50
29-May-2007	Mass: prepare	Slomka, Irwin M.	9.00	5,400.00
30-May-2007	MA case	Frankel, Paul H.	1.50	1,087.50
30-May-2007	Mass: prepare	Slomka, Irwin M.	10.00	6,000.00
31-May-2007	Mass: prepare	Slomka, Irwin M.	9.00	5,400.00
Total Fees				37,176.25

1 Case preparation conducted during travel to Boston.

2 Travel time billed at half the hourly rate.

**MORRISON | FOERSTER**012642-0000003  
NEW YORK TAXInvoice Number: 4622960  
Invoice Date: June 12, 2007**Timekeeper Summary**

No.	Name	Rate <sup>3</sup>	Hours	Value
03405	Slomka, Irwin M.	600.00	53.20	31,920.00
07002	Frankel, Paul H.	725.00	8.00	5,256.25
<b>TOTAL</b>			<b>61.20</b>	<b>37,176.25</b>

<sup>3</sup> Travel time during which client work was not performed was billed at half this rate.



**MORRISON | FOERSTER**012642-0000003  
NEW YORK TAXInvoice Number: 4622960  
Invoice Date: June 12, 2007**Disbursement Detail**

<b>Date</b>	<b>Description</b>	<b>Value</b>
31-May-2007	Photocopies	71.10*
31-May-2007	Long Distance Telephone	11.10
31-May-2007	Air Freight	42.43
31-May-2007	Messenger Service	30.90
27-Apr-2007	Local Arizona Attorney Fees	884.00
02-May-2007	Local Massachusetts Attorney Fees	32,976.30
03-May-2007	Accountant Fees	25,203.52
19-Apr-2007	Expert Fees	20,505.04
21-Apr-2007	Expert Fees	26,405.05
02-May-2007	Expert Fees	1,523.86
02-May-2007	Expert Fees	22,090.00
16-May-2007	Travel	281.51
18-May-2007	Miscellaneous Disbursement	402.75
<b>Total Disbursements</b>		<b>130,427.56</b>
<b>Total This Invoice</b>		<b>USD 168,147.56</b>

\* 711 photocopies @ 10¢ per page